GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3590
ANSWERED ON:16.08.2000
PROBLEM S OF FARMERS
MOHAMMED SHAHABUDDIN

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the farmers of the country are facing lot of difficulties due to the present policies of the Government like reduction in the subsidy on fertilizers, increasing the support price for crops comparatively less than the cost incurred thereon and giving exemption on imports of agricultural products;

(b) if so, whether the Government have received any representation regarding these problem of farmers;

(c) if so, the action taken by the Government in this regard; and

(d) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SBPBK SATYANARAYANA RAO)

(a)to(d) Government has received number of representations regarding problems faced by the farmers due to reduction of subsidy on fertilizers, increasing the support price of crops comparatively less than the cost incurred thereon and giving exemption on imports of agricultural products.

According to estimates, the impact of the increase in price of fertilizers on the cost of cultivation is likely to be less than 1.5 percent.

The Government decides on the minimum support price for various agricultural commodities taking into account the recommendations of the Commission for Agricultural Cost & Prices (CACP), the views of the State Governments and Central Ministries as well as such other relevant factors, which in the opinion of the Government, are important for fixation of support prices . The minimum support prices fixed by the Government not only cover cost of production, but also a reasonable margin of profit as an incentive to the farmers to invest and improve the production and productivity.

On removal of restriction on imports of agricultural products, imports are being regulated through imposition of appropriate import tariffs. Import tariffs have been raised on several agricultural commodities recently like wheat, rice, maize, millets, arecanut, apple and sugar etc., for protecting the farmer`s interests.